

RESOLUTION NO. 2016 – 31

A Resolution Approving the Lease of Airport Property, FBO Services, and Airport Manager Services to Konect Aviation Oregon, LLC.

RECITALS:

At their November 10, 2015 meeting, the City Council directed staff to enter into lease negotiations with Konect Aviation Oregon LLC to provide Fixed Base Operator (FBO) and airport management services at McMinnville Municipal Airport.

The proposed lease is for a period of ten years with an option to extend the lease for three additional 10-year term (20 years total) beginning on July 1, 2016. The lease includes built in cost escalators based on the Portland CPI built into the lease to adjust for inflation for Lessee rent and Airport Management Services.

The lease also allows a 15% markup for admin and overhead on other services such as maintenance and repairs on airport property and 20% fee for Airport owned hangar rents. A prorated fuel flowage fee remains in effect.

The Airport Commission, by unanimous vote on June 7, 2016, recommended that the City Council approve the Lease and Airport Management Services Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. That entry into this Lease and Airport Management Services Agreement between the City of McMinnville and Konect Aviation Oregon, LLC. is approved.
2. That the City Manager is authorized and directed to execute the Lease and Airport Management Services Agreement.
3. That this Resolution shall take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 14th day of June 2016 by the following votes:

Ayes: Drabkin, Hill, Jeffries, Menke

Nays: _____

Approved this 14th day of June 2016.



MAYOR

Approved as to form:



CITY ATTORNEY